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Austin, TX 78731-4280
Phone: 512.343.2544
Fax: 512.343.0119

REDACTED – FOR PUBLIC INSPECTION

VIA ECFS

October 14, 2013

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

RE: Annual Report for Scott County Telephone Company, Inc. Pursuant to 47 C.F.R. §54.313 and 54.422, WC Docket Nos. 10-90 and 11-42

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§ 54.313 and 54.422 Scott County Telephone Company, Inc. (the Company), Study Area Code 403031 is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS). Section 3005 of the Form 481 requires a privately-held rate of return carrier receiving high cost support to attach financial information pursuant to 47 C.F.R. § 54.313(f)(2). The Company maintains that the financial information is confidential and is submitting through ECFS a redacted document as an attachment for Section 3005 of the FCC Form 481 in WC Docket Nos. 10-90 and 11-42.

Scott County Telephone Company, Inc., by its authorized representative, hereby submits confidential information pursuant to 47 C.F.R. § 54.313(f)(2), under seal, subject to the Protective Order adopted November 16, 2012 in the above-named dockets.¹ The Company is providing to the Office of the Secretary the original and one copy of the cover letter and confidential information for WC Docket No. 10-90. The confidential information relates only to WC Docket No. 10-90. There is no claim of confidentiality for any information related to WC Docket No. 11-42.

Two copies of this cover letter and confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, in accordance with the Protective Order.

¹ FCC Record DA 12-1857

Marlene H. Dortch
October 14, 2013
Page 2 of 2

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as an attachment to the FCC Form 481.

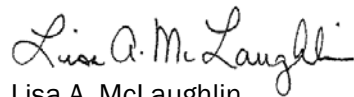
Each page of the confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

An original and three copies of the redacted confidential information and cover letter are also being filed simultaneously with the non-redacted confidential information, in accordance with the August 6, 2013 Public Notice (DA 13-1707). The original and one copy are provided for WC Docket No. 10-90 and two additional copies are provided for WC Docket No. 11-42. The redacted version of the cover letter for this filing and each page of the filing is marked "REDACTED - FOR PUBLIC INSPECTION."

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,



Lisa A. McLaughlin
Authorized Representative for
Scott County Telephone Company, Inc.

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau,
Federal Communications Commission (2 hardcopies of non-redacted submission)

Ms. Karen Gilliam, Scott County Telephone Company, Inc.

FCC Form 481 - Carrier Annual Reporting Data Collection Form	<small>FCC Form 481</small> <small>OMB 3080-0046</small> <small>OMB 3060-0019</small> <small>Avg. Burden Estimate per Respondent: 20 Hours</small>
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<010> Study Area Code 403031

<015> Study Area Name Scott County Telephone Company

<020> Program Year 2014

<030> Contact Name: Person USAC should contact with questions about this data Karen Gilliam

<035> Contact Telephone Number: Number of the person identified in data line <030> 479-923-4200

<039> Contact Email: Email of the person identified in data line <030> Karen@scotttel.com

ANNUAL REPORTING FOR ALL CARRIERS			54.313 Completion Required	54.422 Completion Required
<i>(check box when complete)</i>				
<100> Service Quality Improvement Reporting	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<200> Outage Reporting (voice)	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report				
<300> Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<310> Detail on Attempts (voice)	<i>(attach descriptive document)</i>			
<320> Unfulfilled Service Requests (broadband)				
<330> Detail on Attempts (broadband)	<i>(attach descriptive document)</i>			
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<410> Fixed	0			
<420> Mobile				
<440> Number of Complaints per 1,000 customers (broadband)				
<450> Fixed				
<450> Mobile				
<500> Service Quality Standards & Consumer Protection Rules Compliance	<i>(check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<510> 403031ar510.pdf	<i>(attached descriptive document)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<600> Functionality in Emergency Situations	<i>(check to indicate certification)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<610> 403031ar610.pdf	<i>(attached descriptive document)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<700> Company Price Offerings (voice)	<i>(complete attached worksheet)</i>			
<710> Company Price Offerings (broadband)	<i>(complete attached worksheet)</i>			
<800> Operating Companies and Affiliates	<i>(complete attached worksheet)</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
<900> Tribal Land Offerings (N)	<i>(if yes, complete attached worksheet)</i>	<input checked="" type="checkbox"/>		
<1000> Voice Services Rate Comparability	<i>(check to indicate certification)</i>			
<1010>	<i>(attach descriptive document)</i>			
<1100> Terrestrial Backhaul (Y)	<i>(if not, check to indicate certification)</i>	<input checked="" type="checkbox"/>		
<1110>	<i>(complete attached worksheet)</i>			
<1200> Terms and Condition for Lifeline Customers	<i>(complete attached worksheet)</i>		<input checked="" type="checkbox"/>	

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000> *(check to indicate certification)*

<2005> *(complete attached worksheet)*

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000> *(check to indicate certification)*

<3005> *(complete attached worksheet)*

(100) Service Quality Improvement Reporting Data Collection Form		FCC Form 481 OMB Control No. 3060-0986 OMB Control No. 3060-0819 July 2013
<010>	Study Area Code	403031
<015>	Study Area Name	Scott County Telephone Company
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Karen Gilliam
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-923-4200
<039>	Contact Email Address - Email Address of person identified in data line <030>	karen@scotttel.com
<110>	Has your company received its ETC certification from the FCC? If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(no) (yes / no)
<p>If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.</p>		
<112>	Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which receives only frozen support, your progress report is only required to address voice telephony service	Name of Attached Document (.pdf)
<113>	Maps detailing progress towards meeting plan targets	
<114>	Report how much universal service (USF) support was received	
<115>	How (USF) was used to improve service quality	
<116>	How (USF) was used to improve service coverage	
<117>	How (USF) was used to improve service capacity	
<118>	Provide an explanation of network improvement targets not met in the prior calendar year.	

[illegible]

[illegible]

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986
OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	403031
<015>	Study Area Name	Scott County Telephone Company
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Karen Gilliam
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-923-4200
<039>	Contact Email Address - Email Address of person identified in data line <030>	Karen@scotttel.com
<910>	Tribal Land(s) on which ETC Serves	
<920>	Tribal Government Engagement Obligation	

Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes, No, NA) for each of these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

Select (Yes, No, NA)

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

(1110) No Terrestrial Backhaul Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986
OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	403031
<015>	Study Area Name	Scott County Telephone Company
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Karen Gilliam
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-923-4200
<039>	Contact Email Address - Email Address of person identified in data line <030>	Karen@scotttel.com

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G) ☐

(1200) Terms and Condition for Lifeline Customers		FCC Form 481	
Lifeline		OMB Control No. 3060-0986	
Data Collection Form		OMB Control No. 3060-0819	
		JULY 2013	

<010>	Study Area Code	403031
<015>	Study Area Name	Scott County Telephone Company
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Karen Gilliam
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-923-4200
<039>	Contact Email Address - Email Address of person identified in data line <030>	Karen@scotttel.com

<1210>	Terms & Conditions of Voice Telephony Lifeline Plans	403031ar1210.pdf
		Name of attached document (.pdf)
<1220>	Link to Public Website	HTTP

Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221>	Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,	<input checked="" type="checkbox"/>
<1222>	Details on the number of minutes provided as part of the plan,	<input checked="" type="checkbox"/>
<1223>	Additional charges for toll calls, and rates for each such plan.	<input checked="" type="checkbox"/>

(3005) Rate Of Return Carrier Additional Documentation	
Data Collection Form	
FOC Form 481	
OWB Control No. 3046-0995	
OWB Control No. 3046-0912	
July 2013	

<010>	Study Area Code	403031
<015>	Study Area Name	Scott County Telephone Company
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Karen Gilliam
<035>	Contact Telephone Number - Number of person identified in data line <030>	479-973-4200
<039>	Contact Email Address - Email Address of person identified in data line <030>	karen@scotttel.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

Progress Report on 5 Year Plan

(3010) Milestone Certification (47 CFR § 54.313(f)(1)(i))	Name of Attached Document Listing Required Information	
(3011) Please check this box to confirm that the attached PDF, on line 3012, contains the required information pursuant to § 54.313 (f)(1)(i), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.		<input type="checkbox"/>
(3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))	Name of Attached Document Listing Required Information	
(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))		<input type="checkbox"/> [Yes/No]
(3014) If yes, does your company file the RUS annual report		<input type="checkbox"/> [Yes/No]
Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:		
(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		<input checked="" type="checkbox"/>
(3016) PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation		
(3018) If the response is no on line 3014, is your company audited?		
If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:	Name of Attached Document Listing Required Information	<input type="checkbox"/> [Yes/No]
(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications		<input type="checkbox"/>
(3020) PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3021) Management letter issued by the independent certified public accountant that performed the company's financial audit.		<input type="checkbox"/>
If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:		<input type="checkbox"/>
(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,		<input type="checkbox"/>
(3023) Underlying information subjected to a review by an independent certified public accountant		<input type="checkbox"/>
(3024) Underlying information subjected to an officer certification.		<input type="checkbox"/>
(3025) PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3026) Attach the worksheet listing required information	Name of Attached Document Listing Required Information	

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0886 OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	403031
<015> Study Area Name	Scott County Telephone Com
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Karen Gilliam
<035> Contact Telephone Number - Number of person identified in data line <030>	479-923-4200
<039> Contact Email Address - Email Address of person identified in data line <030>	Karen@scotttel.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

<p>I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.</p>		
Name of Reporting Carrier:		
Signature of Authorized Officer:	Date	
Printed name of Authorized Officer:		
Title or position of Authorized Officer:		
Telephone number of Authorized Officer:		
Study Area Code of Reporting Carrier:	Filing Due Date for this form:	10/15/2013
<p>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</p>		

Certification - Agent / Carrier Data Collection Form		FCC Form 481 OMB Control No. 3060-0585 OMB Control No. 3060-0819 July 2013
<010> Study Area Code	403031	
<015> Study Area Name	Scott County Telephone Company	
<020> Program Year	2014	
<030> Contact Name - Person USAC should contact regarding this data	Karen Gilliam	
<035> Contact Telephone Number - Number of person identified in data line <030>	479-523-4200	
<039> Contact Email Address - Email Address of person identified in data line <030>	kater_g@scotel.com	

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier		
I certify that (Name of Agent) <u>Lisa A. McLaughlin</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier, my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.		
Name of Authorized Agent:	Lisa A. McLaughlin	
Name of Reporting Carrier:	Scott County Telephone Company	
Signature of Authorized Officer:	<u>Karen Gilliam</u>	Date: <u>10/11/13</u>
Printed name of Authorized Officer:	Karen Gilliam	
Title or position of Authorized Officer:	General Manager	
Telephone number of Authorized Officer:	479-523-4200	
Study Area Code of Reporting Carrier:	404031	Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.		

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier		
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier. I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.		
Name of Reporting Carrier:	Scott County Telephone Company	
Name of Authorized Agent or Employee of Agent:	Lisa A. McLaughlin	
Signature of Authorized Agent or Employee of Agent:	<u>Lisa A. McLaughlin</u>	Date: <u>10/11/13</u>
Printed name of Authorized Agent or Employee of Agent:	Lisa A. McLaughlin	
Title or position of Authorized Agent or Employee of Agent:	Manager - Business Compliance	
Telephone number of Authorized Agent or Employee of Agent:	512-343-2544	
Study Area Code of Reporting Carrier:	403031	Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.		

ATTACHMENTS

ATTACHMENT A

LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE

Scott County Telephone Company (the Company) complies with applicable service quality standards and consumer protection rules as required by the state regulatory commission and the Federal Communications Commission.

The rates, terms, and conditions under which the Company operates are outlined in its Local Exchange Tariff, which is approved by the state commission. The Company's tariff contains provisions regarding its customer service and protection practices, including resolving disputes with the Company, applying for service, the classification of business and residential rates, deposits, billing and payment for service, refusal, disconnection and cancellation of service. The tariff is available for customer review in the Business Office, as requested. Rates and terms of service are disclosed to customers upon application for service both verbally and in writing as part of a packet of information for new customers.

Service quality standards are established by the state commission and the Company consistently meets or exceeds the standards and provides reports to the state commission, in accordance with the state commission's rules.

The protection of customers' privacy and information is of utmost importance and the Company has a policy and established operating procedures that comply with the FCC's Customer Proprietary Network Information Rules (47 C.F.R. §§64.2001-64.2011). Certification and a description of those operating procedures are filed at the FCC annually.

ATTACHMENT B

LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

Scott County Telephone Company (the Company) is able to function in emergency situations. The Company has a reasonable amount of back-up power to ensure functionality without an external power source. Standby power generators are supplied at the central office, remote switch sites, and repeater sites to ensure functionality without an external power source until power is restored. The network is capable of managing traffic spikes resulting from emergency situations.

The company is able to reroute traffic around damaged facilities. Although the Company's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service, including splicing of damaged facilities when warranted.

ATTACHMENT C

Line 1210 – Terms & Conditions of Voice Telephony Lifeline Plans

Scott County Telephone Company, (the Company) offers qualifying Lifeline subscribers a state Lifeline discount of \$9.25 applied to their SLC with the remainder applied to the basic local exchange access line rate of \$30.00 which includes unlimited local minutes. Additional charges for toll calls associated with the basic local exchange access line are billed at the rates of the long distance carrier chosen by the subscriber. The Company has no calling plans that are specific to Lifeline customers.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME Scott County Telephone Company (Prepared with Audited Data)	
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INSTRUCTIONS -Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2012	BORROWER DESIGNATION AR0548
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CERTIFICATION We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES. DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII (Check one of the following)	
<input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.	<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report
karen gilliam	4/2/2013 DATE

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstanding & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity = 74.55% of Total Assets

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION AR0548	
INSTRUCTIONS- See RUS Bulletin 1744-2		PERIOD ENDING December, 2012	
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS			
ITEM		PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues			
2. Network Access Services Revenues			
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues			
6. Uncollectible Revenues			
7. Net Operating Revenues (1 thru 5 less 6)			
8. Plant Specific Operations Expense			
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)			
10. Depreciation Expense			
11. Amortization Expense			
12. Customer Operations Expense			
13. Corporate Operations Expense			
14. Total Operating Expenses (8 thru 13)			
15. Operating Income or Margins (7 less 14)			
16. Other Operating Income and Expenses			
17. State and Local Taxes			
18. Federal Income Taxes			
19. Other Taxes			
20. Total Operating Taxes (17+18+19)			
21. Net Operating Income or Margins (15+16-20)			
22. Interest on Funded Debt			
23. Interest Expense - Capital Leases			
24. Other Interest Expense			
25. Allowance for Funds Used During Construction			
26. Total Fixed Charges (22+23+24-25)			
27. Nonoperating Net Income			
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income			
31. Total Net Income or Margins (21+27+28+29+30-26)			
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year			
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]			
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)			
44. Annual Debt Service Payments			
45. Cash Ratio [(14+20-10-11) / 7]			
46. Operating Accrual Ratio [(14+20+26) / 7]			
47. TIER [(31+26) / 26]			
48. DSCR [(31+26+10+11) / 44]			

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS <i>INSTRUCTIONS - See RUS Bulletin 1744-2</i>						BORROWER DESIGNATION AR0548 PERIOD ENDED December, 2012	
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION							
EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (Including fiber) (a)	FIBER (b)
Lake Hinkle							
MobileWireless							
Route Mileage Outside Exchange Area							
Total							
No. Exchanges							

<p align="center">USDA-RUS</p> <p align="center">OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p> <p align="center">INSTRUCTIONS - See RUS Bulletin 1744-2</p>							<p>BORROWER DESIGNATION AR0648</p> <p>PERIOD ENDED December, 2012</p>	
<p align="center">Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION</p>								
<p align="center">4. BROADBAND SERVICE</p>								
<p align="center">Details on Least Expensive Broadband Service</p>								
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Lake Hinkle								
Total								

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS			BORROWER DESIGNATION AR0548 <hr/> PERIOD ENDING December, 2012		
INSTRUCTIONS- See RUS Bulletin 1744-2					
PART D. SYSTEM DATA					
1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile	
PART E. TOLL DATA					
1. Study Area ID Code(s) a. _____ b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____		2. Types of Toll Settlements (Check one) <div style="display: flex; justify-content: space-between;"> <div> Interstate: <input type="checkbox"/> Average Schedule Intrastate: <input type="checkbox"/> Average Schedule </div> <div> <input checked="" type="checkbox"/> Cost Basis <input checked="" type="checkbox"/> Cost Basis </div> </div>			
PART F. FUNDS INVESTED IN PLANT DURING YEAR					
1. RUS, RTB, & FFB Loan Funds Expended					
2. Other Long-Term Loan Funds Expended					
3. Funds Expended Under RUS Interim Approval					
4. Other Short-Term Loan Funds Expended					
5. General Funds Expended (Other than Interim)					
6. Salvaged Materials					
7. Contribution in Aid to Construction					
8. Gross Additions to Telecom. Plant (1 thru 7)					
PART G. INVESTMENTS IN AFFILIATED COMPANIES					
INVESTMENTS <i>(a)</i>	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f)</i>
1. Investment in Affiliated Companies - Rural Development					
2. Investment in Affiliated Companies - Nonrural Development					

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION AR0548 PERIOD ENDING December, 2012
PART H. CURRENT DEPRECIATION RATES	
Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)	
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	
5. Land and support assets - Buildings	
6. Land and support assets - Furniture and Office equipment	
7. Land and support assets - General purpose computers	
8. Central Office Switching - Digital	
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	
24. Cable and wire facilities - Buried cable - Fiber	
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION AR0548
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2012
PART I - STATEMENT OF CASH FLOWS		
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	
CASH FLOWS FROM OPERATING ACTIVITIES		
2.	Net Income	
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3.	Add: Depreciation	
4.	Add: Amortization	
5.	Other (Explain) Other reconciling items - net	
Changes in Operating Assets and Liabilities		
6.	Decrease/(Increase) in Accounts Receivable	
7.	Decrease/(Increase) in Materials and Inventory	
8.	Decrease/(Increase) in Prepayments and Deferred Charges	
9.	Decrease/(Increase) in Other Current Assets	
10.	Increase/(Decrease) in Accounts Payable	
11.	Increase/(Decrease) in Advance Billings & Payments	
12.	Increase/(Decrease) in Other Current Liabilities	
13.	Net Cash Provided/(Used) by Operations	
CASH FLOWS FROM FINANCING ACTIVITIES		
14.	Decrease/(Increase) in Notes Receivable	
15.	Increase/(Decrease) in Notes Payable	
16.	Increase/(Decrease) in Customer Deposits	
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits	
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	
20.	Less: Payment of Dividends	
21.	Less: Patronage Capital Credits Retired	
22.	Other (Explain)	
23.	Net Cash Provided/(Used) by Financing Activities	
CASH FLOWS FROM INVESTING ACTIVITIES		
24.	Net Capital Expenditures (Property, Plant & Equipment)	
25.	Other Long-Term Investments	
26.	Other Noncurrent Assets & Jurisdictional Differences	
27.	Other (Explain)	
28.	Net Cash Provided/(Used) by Investing Activities	
29.	Net Increase/(Decrease) in Cash	
30.	Ending Cash	

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